

Framework Contract: Implementation of an integrated evaluation approach within the framework of a robust North-West Europe evaluation system (Reference 16B007)

TASK 2: The implementation evaluation

EXECUTIVE SUMMARY

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This report presents the final results and recommendations for the NWE Programme 2014-2020 implementation evaluation. The evaluation focuses on analysing and verifying the effectiveness and efficiency of the programme in the middle of the programme exercise, as well as an assessment of the expected programme contribution to socio-economic changes in the territory.

Evaluation of project results and programme effectiveness

The evaluation of project results and programme effectiveness focuses on the overall relevance and suitability of projects and partnerships, project outputs, programme indicators and performance framework as well as project results and their contribution to the Programme. Each of these topics has been analysed.

Projects are relevant and suitable to Programme Objectives and to challenges identified in the Cooperation Programme. The ongoing projects are well balanced between the Programme Priorities and Specific Objectives (SOs). Only very few relevant themes are not covered by approved projects.

Project partnerships are generally relevant and suitable. Partnerships are especially relevant to delivering the Programme SOs. Inclusion of partners from different types of organisations and territories helps the projects deliver concrete outputs and results. Involving target group representatives helps ensure project results within and beyond the project partnership. This outreach to target groups corresponds largely to the target groups defined per SO in the Cooperation Programme. The project partnerships are generally well balanced and contribute to the Programme SOs and results, with only minor imbalances for SO2 and SO3 projects. Clearer indications on the envisaged project partnerships are recommended to ensure partnerships are more relevant for Programme objectives and results.

The Programme output delivery is satisfactory, even though the allocation and spending of funds remain behind schedule. The expected and achieved outputs of advanced projects indicate the programme will overachieve on most of its indicators. This may increase as projects are still being approved, which will increase the indicator framework achievement further. In particular, contributions to energy and CO2 emission indicators are considerable, though targets for these indicators were greatly underestimated and need recalculating. The positive contribution of projects to programme output indicators is also reflected in the performance framework with the exception of financial indicators, which remain generally low (for both allocation and implementation rates). In comparison to the previous programming period, the allocation rate remains low even though implementation increased considerably with the most recent calls. Also, projects are spending less than envisaged. Up to May 2018, claims were 4.4% and payments only 2.7% of allocated budgets. The Programme implementation pace needs to be further increased, even if first actions to avoid further decommitment have already been taken. This can be done by targeted promotion and by encouraging more projects to submit proposals.

Projects contribute with concrete results to the Programme SOs and result indicators. The changed focus of the NWE Programme to encourage delivering concrete results can be observed under all SOs. In particular, projects under SO1, SO2, SO3 and SO5 contribute to Programme SOs and their

results. Contributions to SO4 and its intended results are less visible, particularly due to less cross-thematic contributions. Projects emphasise the added value of focusing on concrete results which supports the formation of strong partnerships as well as learning and exchange. This highlights the main contributions of the NWE Programme. Even though there are contributions, the early stage of implementation means macro-economic indicator achievements remain low. The added value of the Programme is seen with increased capacity, as well as learning and demonstration projects. For future programmes, the intervention logic and result indicators may need to be adjusted to better capture qualitative contributions to enabling factors such as cooperation, coordination and governance.

Evaluation of process efficiencies

The process efficiency evaluation covers the programme organisation and management, including analysis and evaluation of support structures, tools and activities to ensure efficient and effective Programme delivery. The evaluation follows up on the 2016 evaluation of the two-step approach introduced to support increased result orientation.

The two-step approach improves the application process but does not significantly improve the quality of applications. Between Call 1 and Call 5 there has been a clear increase in the approval rate, but it is still considered low. The average approval rate was 26% in Step 1 and 65% in Step 2. For Call 5 these percentages were 31% and 64% respectively. The increased approval rates may also be due to improved processes. Recommendations from the 2016 evaluation have partially been taken on board. The timeframes for submitting application forms (AFs) in Step 2 are clearer and applicants are explicitly encouraged to contact the Joint Secretariat (JS) at any stage during the process. Contact Point (CP) and JS support in Steps 1 and 2 is generally appreciated, but not always used by projects for project development in Step 2. To increase the success rate in Step 2, further tools and guidance based on the analysis of approved projects are expected.

The high efforts of the JS may be disproportionate to the approval rate. JS support during project development phase takes considerable capacities from JS officers, which comes at the cost of monitoring project implementation. Although the approval rate has increased, a higher rate would be expected from the resources used. Project partners need most assistance with the quantification of baselines, long-term effects and value for money. Step-wise guidelines for applicants will be developed to help quantify baselines. Subsequently this will release some of the burden for the JS, however more research is needed to examine the reasons for the imbalance between capacity put into project development and low approval rates.

Project partners spend more time on project monitoring and financial reporting than expected, leading to possible delays in project implementation. Nevertheless, the result-orientation and focus on concrete outputs and results are appreciated. The enhanced result-orientation supports project partners to cooperate in a more effective and efficient way. Hence, reporting is not perceived as a burden, particularly since there is a learning effect from both progress and payment reporting. Once familiar with the electronic Monitoring System (eMS), reporting becomes less burdensome. Furthermore, practical improvements from the Programme have made the eMS interface more user-friendly.

eMS captures predominantly quantitative information. Project partners assume this information is largely capturing their contribution to Programme objectives. Programme bodies highlight the need to collect more qualitative information, in particular to better assess unintended or additional benefits. These effects are currently collected via project quality appraisals. More relevance should be given to qualitative aspects along with the quantitative data. A complementary final assessment of projects should be conducted to measure the actual contribution to Specific Objectives (SOs) of the Programme.

Synergies facilitating Programme implementation are limited, the NWE Programme is competing with other Programmes. Other funding sources may accelerate or hamper implementation of the NWE Programme. Synergies with national strategies or funding schemes are more prominent in certain countries, in particular the Netherlands, where a concrete effort is made to match NWE projects with other funding programmes. At the same time, there is a strong thematic and geographical overlap with Interreg programmes in the NWE area, with Interreg VA 2Seas and VB Atlantic Area being considered the main ‘competitors’ by the Programme. The lack of complementarity and coordination among Interreg programmes leads to confusion for applicants and makes NWE less attractive. More coordination with national authorities as well as with other Interreg Programme support would better position the Programme, allow better use of funding possibilities and limit competition.

Evaluation of the contribution to Europe 2020

Evaluation of the Programme’s contribution to Europe 2020 focuses on the direct project contributions via output reports as well as on identifying external factors and additional benefits. The analysis follows up on the analysis of possible project contributions presented in the Programme’s ex-ante evaluation report¹.

Substantial contributions to smart and sustainable growth can be expected. The Programme contributes to smart growth directly via SO1 projects as well as cross-thematic contributions from SO3, SO4 and SO5. The Programme substantially contributes to sustainable growth via SO2, SO3 and SO4 projects. In addition, SO5 projects make a moderate contribution. Inclusive growth is less addressed. The Programme could promote and encourage more projects to contribute to social innovation. It is still too early to determine additional benefits or external factors facilitating the contributions to Europe 2020, more detailed analysis would be needed, particularly since some examples illustrate additional Programme contributions to Europe 2020. A structured analysis of the data from several quality appraisals should highlight additional contributions.

Evaluation of the contribution to territorial cohesion

Support from the NWE programme is well-distributed between poor and well-performing NUTS regions. The same applies when correlating NWE Programme investments per capita with the ‘Social Progress Index’ (SPI). Considering the relative ESIF share per type of region shows that the NWE funding support was, at the end of 2017, predominantly provided to urban and intermediate regions, and less to rural regions. 11 of 12 projects under SO1 applied the leader-follower approach with at least 33% following regions in the project partnership.

¹ Ex-ante Evaluation & Strategic Environmental Assessment of the INTERREG North West Europe Programme (2014-2020).

The storylines show that cooperation was key to the success of all NWE projects. Interviews with stakeholders in the case studies helped to understand why cooperation contributes to new ideas, learning, pilot actions and demonstration projects for policy-makers and other public actors that provide services or who define policies. Governance was a particularly useful enabler in projects under SO1, SO2 and SO5. Coordination was another useful enabler, as it helped to organise and align many stakeholders with their different expectations, capacities and experience in many diverse thematic fields, either along a value chain or within an innovative ecosystem.

The Programme has helped reduce disparities, but mostly in regions where NWE projects are active and have a direct influence. Despite its small size and therefore reduced impact on competitiveness and territorial development in a region, the NWE Programme fills a critical gap for cross-border, international cooperation. Some problems or issues are best solved through co-operation across borders, as domestic funding programmes fail to provide support beyond administrative boundaries.

There is a general balance of contributions to the two territorial cohesion goals - competitiveness and growth as well as balanced development and cohesion. Projects contribute to both goals of territorial cohesion, individually or in parallel. However, there is a tendency to value projects contributing to competitiveness and growth as more effective and successful, since their contributions are easier to quantify. A lack of available quantitative data and indicators at local and regional levels for social inclusion, cohesion, environmental and efficiency-related performance hamper the development and approval of projects targeting balanced development.